

EVALUATING THE IMPACT OF VILLAGE SAVINGS AND LOANS MODEL ON LIVING CONDITIONS OF RURAL WOMEN: A CASE STUDY IN QUANG BINH AND QUANG TRI PROVINCE

Nguyen Tho Quang Anh*, Tran Dinh Thao

Faculty of Economics and Rural Development, Vietnam National University of Agriculture

Email: ntqa249@gmail.com*

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ABSTRACT

The study focused on the impact of the village savings and loan (VSL) model on living conditions of rural women as well as on the extension of the model, thereby proposing model development in the local conditions. The study used data from 453 respondents including member and non-member of village savings and loan models in five districts of Quang Binh and Quang Tri provinces. Site observational methods combined with difference in difference (experiment methods) methods were the main methods used in the study. Research results show that the VSL model's unique impact on gender equity, in particular, is that women can move freely without a male companion (almost 90% respondent), the impact of the VSL model increased by 6%. In addition, members in the VSL model had a poverty rate of 27%, lower than the control group of 34%. The VSL model is able to replicate to other localities in the country. The Women's Union should enhance its role in communicating model replication through participatory study tours to model regions.

Keywords: Microfinance, Quang Binh, Quang Tri, rural women, village saving loans.

Đánh giá tác động của mô hình tiết kiệm và vay vốn thôn bản đến điều kiện sống của phụ nữ nông thôn: trường hợp nghiên cứu tại tỉnh Quảng Bình và Quảng Trị

TÓM TẮT

Nghiên cứu tập trung phân tích tác động của mô hình tiết kiệm và vay vốn thôn bản đến các điều kiện sống của phụ nữ nông thôn cũng như đánh giá khả năng nhân rộng của mô hình từ đó đưa ra các đề xuất phát triển mô hình tại các địa phương có điều kiện phù hợp. Nghiên cứu sử dụng số liệu điều tra 453 thành viên và nhóm đối chứng không phải thành viên của các mô hình tiết kiệm và vay vốn thôn bản tại 5 huyện của tỉnh Quảng Bình và Quảng Trị. Các phương pháp quan sát kết hợp với phương pháp đánh giá tác động khác biệt trong khác biệt là các phương pháp chính sử dụng trong nghiên cứu. Kết quả nghiên cứu cho thấy, tác động riêng rẽ của mô hình đến nhận thức về bình đẳng giới, cụ thể phụ nữ nông thôn có thể di chuyển tự do ra khỏi nhà mà không cần một người bạn đồng hành nam, gần 90% số quan sát đồng ý với quan điểm này, tác động của mô hình tăng 6%. Bên cạnh đó, nhóm thành viên tham gia mô hình có tỷ lệ nghèo 27% thấp hơn so với nhóm đối chứng là 34%. Mô hình có khả năng nhân rộng ra các địa phương khác trong cả nước. Hội phụ nữ cần nâng cao vai trò trong truyền thông nhân rộng mô hình bằng các cuộc tham quan học hỏi của các hội viên với các vùng có mô hình.

Từ khóa: Phụ nữ nông thôn, Quảng Bình, Quảng Trị, tiết kiệm thôn bản, tín dụng vi mô.

1. INTRODUCTION

The 2008 Vietnam Microfinance Industry Assessment by the ILO argues that “for most microfinance clients, access to credit is no

longer as much of an issue as is a loan that properly suits their needs and that the challenge for successful microfinance in Vietnam is thus the provision of services to poor households in more remote areas” (DIAZ,

Lillian, & Hansen, 2008). The report further argues that the demand for savings and insurance services by poor households is very high and largely unmet.

A viability study conducted by Plan Vietnam in September 2009 reveals that most households - even very poor, ethnic minority households - have access to subsidized, long-term (from 3 to 5-year) credit through the state-owned social policy banks. However, there is an acute lack of short-term credit in remote areas of Vietnam and rural households routinely borrow in informal markets at rates above 100% per annum (Plan international, 2016), usually through the purchase of food and fertilizer on shop credit.

Most poor rural households in Vietnam do not have access to savings or insurance services. The lack of a safe, transparent savings mechanism is a severe impediment to manage household cash-flows, build households' resilience to economic shocks and the right to a good quality of life. Furthermore, the combination of relatively large, long-term loan liabilities without an adequate savings mechanism or common practice of saving to service these obligations has left rural households over-indebted and acutely vulnerable.

There is a strong demand for basic financial services - particularly savings, flexible short-term credit and basic insurance services - in remote areas of the country that would enable poor households to improve their financial management and economic security. Currently, a high proportion of target households have large, outstanding long-term loans with the state-owned social policy banks. These households do not have a regular income stream or savings to service these long-term debt obligations. Families can borrow small amounts from their neighbors, but there is no formal mechanism to enable families in remote villages to access small loans.

Community-managed microfinance methodologies are recognized as the most viable mechanism to deliver financial services in remote areas; and village saving loans (VSL) methodology has proven to be an appropriate, popular and

useful mechanism for poor households to save in a variety of geographic and socio-economic settings, including Quang Tri, Quang Binh province. The main objective of this study is to assess the impact of VSL model on living conditions of rural women in Quang Binh and Quang Tri provinces, and to evaluate scalability of VSL model, then to appropriate recommendation for developing VSL in new areas.

2. RESEARCH METHODS

2.1. Village savings and loan model

The village savings and loan (VSL) model was established based entirely upon community participation and action. It was implemented in close collaboration with the Vietnam Women's Union (WU) at local level. Groups of 10 - 25 people saved money together and took small loans from those savings. These groups were provided trainings and supports by Plan International and the WU. The activities of the VSL model run in one year cycle based on agreement of all group members and the accumulated savings and the loan profits were shared among the members according to their saving amount. The key features of VSL model were: (1) It is "savings-led" community-based with loan capital coming from the accumulated savings of members and retained earnings without external funds, (2) It is completely self-managed while Plan International and the Women's Union provide and support and monitor function; making its own rules and managing their own money, (3) Its operations, decisions and financial procedures (savings, small-scale insurance, lending, reimbursement, imposition of penalties etc.) were done in the presence of the members without written records, (4) There is flexibility in determining the size and terms of savings and loans (including interest rates) determined by members, and (5) All savings and interest on loans are retained within the groups and no funds leave to the community. VSL model liquidates their assets and makes a pay-out to its members proportional to their savings investment at regular (usually annual) intervals.

The VSL model consisted communes that involved in VSL model from 2012 to 2015 as experimental group and communes with social economic conditions similar to experimental group in 2012 as control group. The communes that established VSL model from 2012 were designated as Roll out 1 and those communes that established VSL model from 2014 were designated as Roll out 2.

2.2. Data collection

Secondary data: Data on basic living standard, financial services from statistics of the districts and province were collected for the study. We also used data from studies which related to micro finance for rural area from various sources.

Primary data: Primary data was collected through direct interviews, Key informant interviews (KIIs), Focus group discussions (FGDs), site observations in Quang Binh, Quang Tri province (Huong Hoa district, Quang Ninh district, Minh Hoa district, Le Thuy district, this is four district which have largest number of VSL model).

Quantitative survey: In this study, the control and experiment communes were selected in the same social economic contexts of the baseline study. 280 respondents in experiment communes and 153 respondents in control communes were selected for interview.

Focus group discussions (FGDs). We conducted 9 focus groups (3 in each Rollout Group and 3 in the Comparison commune) with 8-10 participants in each. Roll out 1 and roll out 2 are different in term of time involve in village savings and loan model (Roll out 1, starting time in 2012, Roll out 2 starting time in 2013).

In this research, we used this tool to collect primary qualitative information at commune levels. It stimulated rich responses and also provides a valuable opportunity to gain insights into behaviors, attitudes, and feelings.

Key informant interviews (KIIs): Key informant interview was used in this study to develop and in-depth understanding of qualitative issues. 22 respondents including communal and village leaders and head of village and communal women unions were interviewed.

Site observation: In this study, the researchers were spot checks of any equipment, infrastructure that likely impact the involvement of the beneficiaries into the model, and collect existing/new photos on models results.

Data were gathered from a total of 433 girls/young women in 9 communes (6 communes for experiment group including 3 communes for roll out 1, 3 for roll out 2) and 3 communes of the control group). The summary of basic demographic information on girls/young women is presented in Table 1.

Table 1. Biographical information

	Unit	Experiment	Control
Number of observation		280	153
Age of respondent	years	23.1	21.1
Respondents having birth registered	%	92.8	74.2
Percent enrolled in School	%	80.4	77.8
Household size	person	4.8	4.99
Percent with children	%	77.48	58.8
Percent married	%	83.1	62.7
Average length of marriage	years	5.2	4.3
Average age of husband	years	28	27

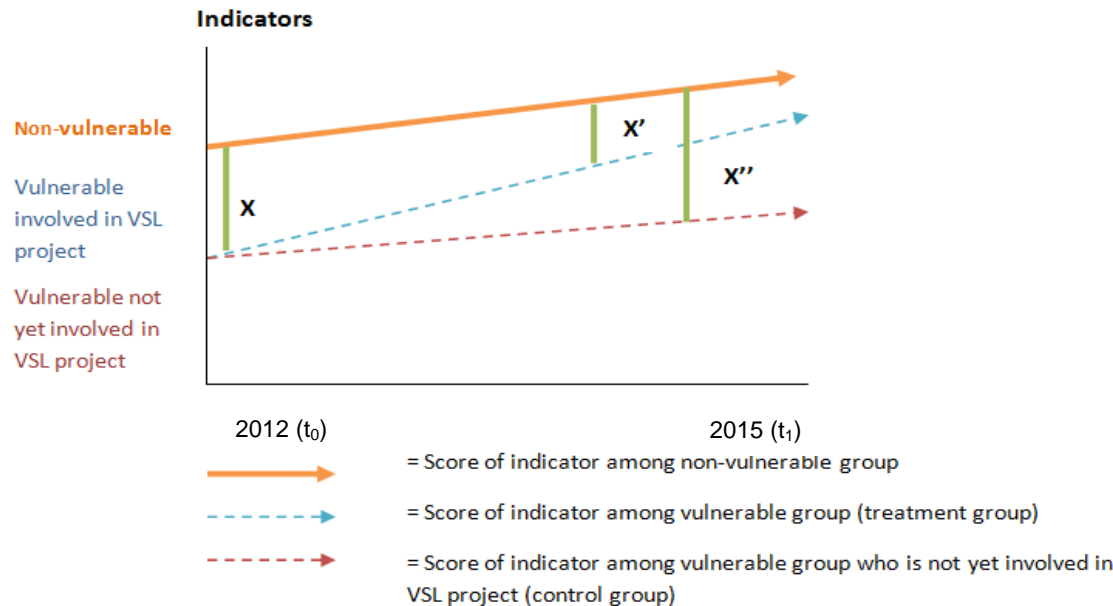


Figure 1. Hypothetical example for the advantages of using the control group in the quasi-experimental method

2.3. Data analysis

Experimental method and participatory approach were employed to analyze the impacts of the model on the living condition of vulnerable (poor, rural and ethnic minority) and non-vulnerable population (Figure 1). In this study “experimental method” was used to assess the causal impact of a program and a comparison group (control group) and also are identified and studied alongside the experiment group. The control groups represent what the intervention group would have been like if there was no model/intervention. Also, instead of only comparing before – after for interventional group, the difference between the experiment and control groups before and after program intervention is compared by using the difference-in-difference (DD) estimator method. This allows us to analyze what happen to the targeted group if the intervention had not happened. Accordingly, the evaluation is based on the change in the gap (“X”) is a number of living and economic condition indicators between vulnerable and non-vulnerable households involved in the VSL model compared to the gap that existed in 2012. In other words, the comparison answers two questions:

- Has the vulnerable group (experiment group) reduced the gap with the non-vulnerable group compared to the baseline (2012)? (Compare the difference between X' and X)
- Has the vulnerable group (experiment group) reduced the gap with the non-vulnerable group because of the VSL model? (Compare the difference between X' and X)

The participatory approach was used to enhance the active participation of a wide range of stakeholders including women union, local leaders, community members, members and non-members of the VSL groups, children, etc. with special attention paid to women and girls. Both questionnaire and interview (including KII and FGD) guidelines were designed with adequate attention made on gender aspect. Gender assessment was integrated into both quantitative and qualitative data collection and analysis processes.

In this study we focus on impact of VSL model on rural women in term of the ways of spending and saving money, increasing their access to savings and loans and their households' economic status, and improving people's awareness on gender equality, intra-family relationship and the women's social status.

3. RESULTS AND DISCUSSIONS

3.1. Impact of Village savings and loan model on rural women

Information collected from the baseline survey in the year 1 and the end-line survey showed that the model brought positive impacts on VSL groups' individual members as well as on the households, communities and the WUs generally. The benefits and impacts of the model included improving beneficiaries' ways of spending and saving money, increasing their access to savings and loans and their households' economic status, and improving people's awareness of gender equality, intra-family relationship and the women's social status. Other impacts were the improvement in management skills and the ability to engage others in development activities of WU staff and members and the improvement in community relations. The model used participatory approach, which enabled women to raise their voice in their groups, community and households.

3.2. Impact of Village savings and loan model on households 'economic status and living standards

The overall target for the model is "to improve the economic security of 11,000 poor

and vulnerable people in Quang Binh and Quang Tri provinces". According to Plan International's report, at the end of the model, the total number of beneficiaries including direct beneficiaries (VSL members) and indirect ones (VSL members' family members) was 35,233 people, of whom the number of VSL members was 9,865 and the number of children (both boys and girls under 16 years old) reached by the model was 12,580.

The first expected outcome of this model was to increase household income. Although the survey results did not include the household income but the positive changes in their households' economic status and living standards were shown by other indicators.

Plan International data showed that 1,932 households have got out of poverty since they joined the model. The fast growth in savings in some VSL groups was an evidence for economic improvement, as now some groups have increased the share value per member to 50,000VND and even 100,000VND (Box 1). Another indicator could be used for the poverty reduction is the percentage of people with food insecurity. Fewer people said that they are living with food insecurity after the model conducted (Fig. 2).

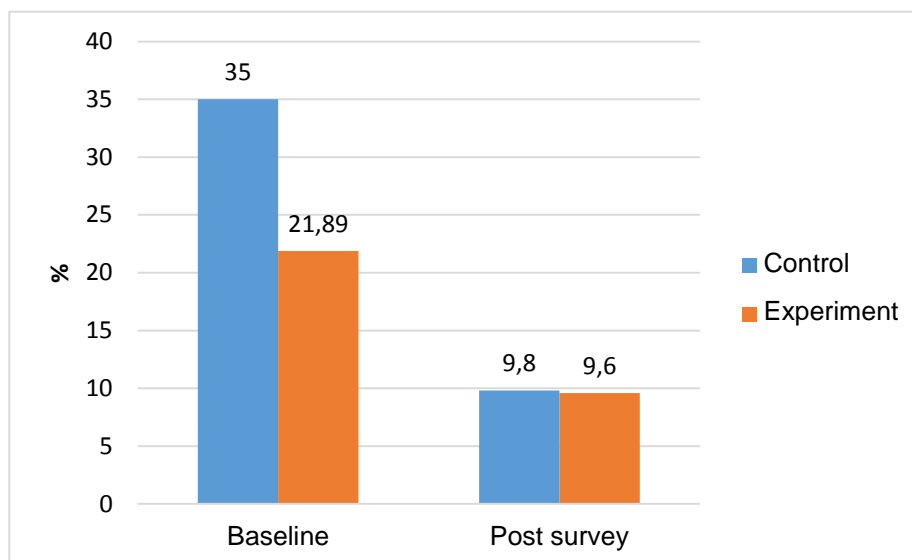


Figure 2. Proportion of people with food insecurity

Source: Synthesis from surveys, 2016

Box 1. WU staff and VSL member's opinion about impact of VSL model

“At the beginning of the model, in our group, each stamp valued 20,000VND and now it is 100,000VND. Everybody is very happy with this improvement”.

“Before joining this group, my household barely had any saving as we always spent all our earning, but now, my husband and I have a saving amount of 500,000 VND to 600,000 VND every month. Since joining the group, we have bought more goods for our house such as electric rice cooker, television, and clothes for our children at the end of the year”.

By joining VSL groups, members could borrow money for production and business investment, which created a first step for households to develop their economic status. Plan International data showed that around 20% of loans was used for raising livestock and 15% of that for farming. People preferred borrowing money from the groups than from other financial service providers as the loan application procedure is simple and the interest rate of VLS groups is affordable. With the same investment and production time, the low interest rate helped VSL members gain more profit.

Quote from VSL members:

“My household borrowed 3 million VND for buying piglets last year and we have just sold the grown pigs for 14 million VND. We sold 6 pigs and keep one sow for breeding. We paid all the loan and interest. Before joining the group, we had to borrow money from private money lenders with high interest but now we could easily borrow money with low interest for buying piglets and we could gain higher profit and have more money for our future investment.”

“Last year, my brother gave me 5 million VND, but this amount was not enough for me to open a grocery store. Then I borrowed 2 million VND from VSL group in order to open a grocery store. After 4 months, I paid principal and interest that I had gained from the grocery store.” Ho Thi Nhoang, Cu Dun village, Huong Loc commune, Huong Hoa district, Quang Tri province.

3.3. Impact of Village savings and loan model on level of awareness on financial literacy and gender equality

a. Level of financial literacy

Both quantitative and qualitative results indicated the improvement in women's financial management in terms of changing their manner of spending and saving money (Table 2, Box 2). Comparison between the baseline and the post survey results illustrated that more women knew how to save money and have their own savings. Specifically, in the baseline survey, only 10.3% of respondents in roll-out 1 and 7% in roll-out 2 said they had savings whilst the figure of roll-out 1 and roll-out 2 in the post survey was 87.3% and 79.2%, respectively (Fig. 3). In addition, in-depth interviews and FGDs information showed that women realized the necessity and usefulness of savings, hence, they did not spend money on unnecessary things but for savings (Table 2).

There has been a significant change in opinion about sources of loan. At the beginning of the model, only 30.5% and 18.6% of respondents in roll-out 1 and roll-out 2, respectively said that they had source(s) of loans but in the post survey, more than 94% of respondents in both roll-outs said they had source(s) of loans. This number in control group also increased after years but the change was smaller, from 15.2% to 54.2%. Notably, a majority of respondents in both roll-outs considered VSL/VSALs as a source of loans in urgent situation (96.45% and 91.13% respectively).

Table 2. Change in percentage of people have savings (Unit: %)

	Experiment	Control	Difference
Post survey	83.60	21.60	62.00
Baseline	8.90	1.80	7.10
Change	74.70	19.80	54.90

Source: Synthesis from surveys, 2016

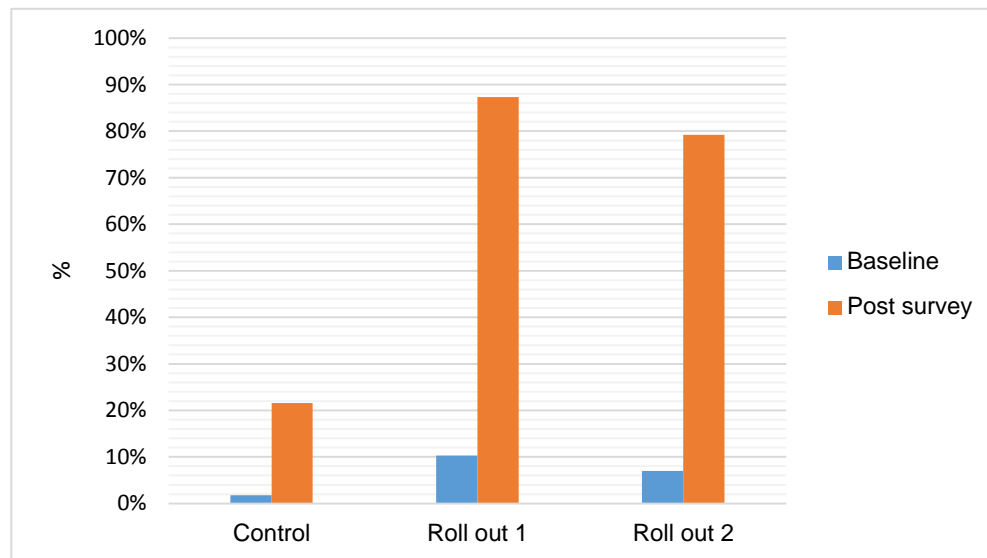


Figure 3. Household with savings

b. Level of awareness on gender equality

The end-line survey results showed that both women and men have increased their awareness on gender equality. For an illustration, the change in women's roles in making decision in households could be used as a good indicator. According to the findings of the baseline survey, "a majority of girls/young women surveyed held the view that gender equity should exist in a variety of arenas" (Eval, 2012, p. 24), however, they did not have rights on making decision in terms of both economic and social issues. At the beginning of the model, only 16.9% and 4.5% of women in roll-out 1 and roll-out 2, respectively, could jointly make decision in economic development with their husbands. However, at the end of the model implementation, women's role has dramatically increased to 53.3% and 53.1%, respectively. Similarly, in making decision regarding visiting family or relatives in the

post survey, 50% of interviewees in roll-out 1 and 60.8% of that in roll-out 2 said that they make it jointly with their husbands, whereas in the baseline survey the figures were only 19.5% and 5% for roll-out 1 and roll-out 2 respectively. Although the control groups experienced similar change pattern, the change was much smaller in comparison with that of experimental groups (Figures 4 and 5).

However, when being asked about who can make better decisions, they were not confident enough to say women or men; most of them refused to answer or gave an unclear answer.

"One hand alone cannot make a clap sound", hence, in order to improve the social status of women, it is critical to change the gender equality awareness of both men and women. The change in gender equality awareness also leads to the change in intra-family relationship and women's social and economic status.

3.4. Impact of village savings and loan model on intra-family relationship and women's social and economic status

As shown in Figure 5 and 6, more women jointly made decision with their husbands. This indicated that they have their voice and rights in the household affairs. Information collected from qualitative survey was consistent with findings from quantitative one. In particular, referring to the culture of Van Kieu ethnic, men are conventionally money keepers in the household although women are main labor force, but now, women could keep money and make decision on how the money be spent.

Moreover, men also joined the women in the upland fields work and helped women in doing housework (Box 4), thus, the women had more time for taking care of themselves and of the children and participating in community activities (i.e. joining WU and VSL group meetings). With regards to women's position in

the community, as women had more chances to attend group meeting as well as collective activities and they became more confident to share their opinion about social issues and to participate actively in community activities. Another effect brought about by the model was that by attending VSL group meeting, women now have a place for mutual communication and information sharing. When being asked if they like to participate in community meeting (i.e. WU meetings, VSL group meetings) they all said they are happy and really like attending those meetings.

However, the changes in decision making seemed to be more significant in the households than in the community. As in community meetings, who go to and attend the meetings would be the one making decisions. The head of the household normally is the one going to attend community meeting, who is man in most cases.

Box 2. Impact of VSL model on members about level of financial literacy

“Before joining the VSL groups, women only worked during cropping and harvesting periods but now even between those periods, they also find jobs to earn money for savings”

“Before model established, I did not know how to save money, my children usually asked for 1,000 - 2,000 VND per day to buy snacks so I did not have any savings. Since I participated in VSL groups, I could save an amount of money at the end of the year and I could borrow money from VSL at difficult times.” Ho Thi Nhieng (Pi Thuong), Cu Dun village, Huong Loc commune, Huong Hoa district, Quang Tri province.

“I borrowed 1 million VND from VSL last year. I used this loan for breeding animal” Ho Thi Lan, Cu Dun village, Huong Loc commune, Huong Hoa district, Quang Tri province.

Box 3. Impact of VSL model on member about the level of awareness on gender equality

“I do not know who can make better decisions because we always discuss with each other before deciding anything. But I think we can both do a good job” Ho Thi Lan, Cu Dun village, Huong Loc commune, Huong Hoa district, Quang Tri province.

“I don't know. Maybe my husband will make a better decision if it is related to large purchase but for daily or small purchases, I will make decision” Ho Thi Nhoang, Cu Dun village, Huong Loc commune, Huong Hoa district, Quang Tri province.

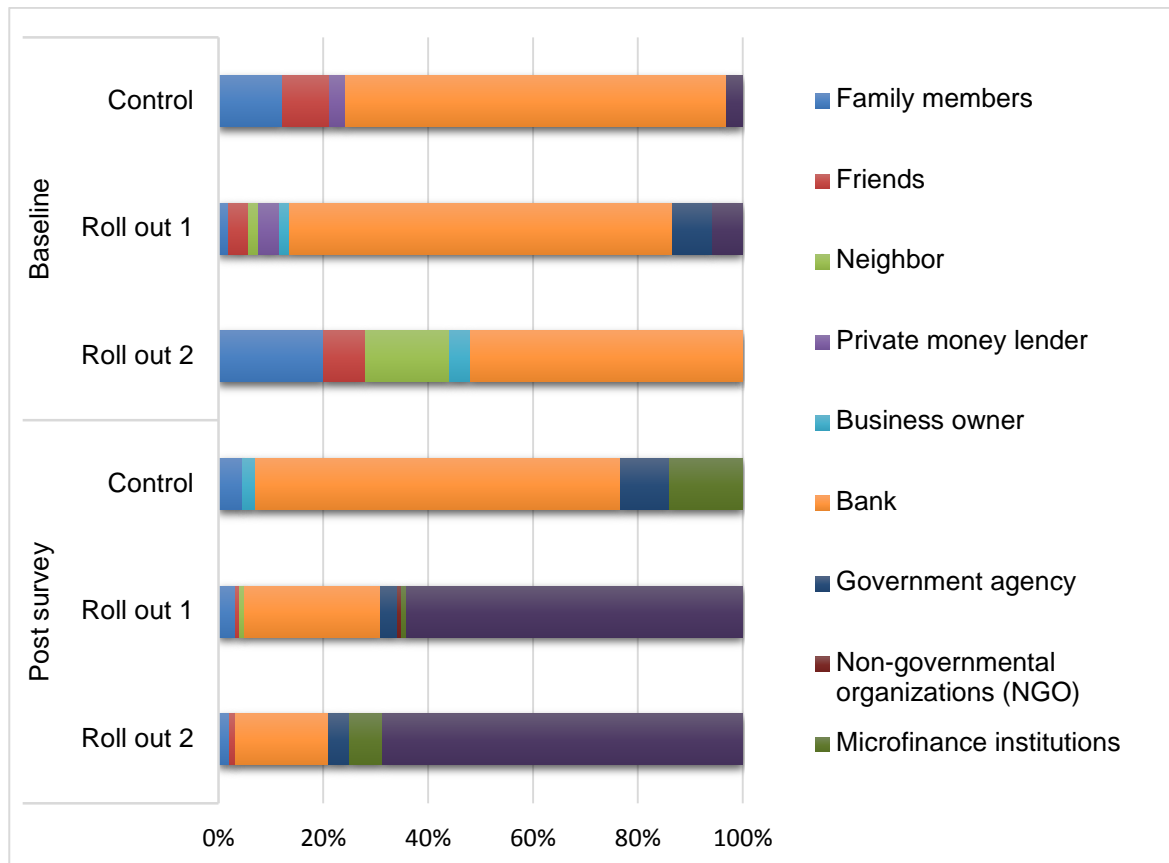


Figure 4. Source of households' loans from last twelve month

Source: Synthesis from surveys, 2016

3.5. Impact of Village savings and loan model on management and mobilization skills of WU staff and members

One of the main model activities was to organize training courses for WU staff, Village Agents, chair and secretary of VSL groups on facilitation skills and financial and group management. The contents of these training course helped them know how to manage the savings and loans of the VSL groups, how to organize a group meeting, and how to mobilize people to join the groups and meetings, etc. These skills of WU staff and Village Agents have been not only applied for the VSL model but also for other activities of WU. Moreover, many other programs of WU have been mainstreamed into the VSL group meeting content such as training on reproductive healthcare, children healthcare, gender equality, etc. This also improved WU staff and members' propaganda techniques and ability

to mobilize other people. By mobilization, WU staff and members have step-by-step changed the community, especially the men's awareness and behaviours.

3.6. Impact of Village savings and loan model on community relations

Besides impacts on individuals, the VSL model has also brought about impact on changing the community relations. First, as VSL group meeting and activities have created more chances for local people, especially women to communicate with others. They have become closer and more united. Second, besides the savings, each group had their social fund contributed by its members which is used to support the group's members to cope with emergency situation. Difficulties now can be shared with the whole community and people are brought closer together.

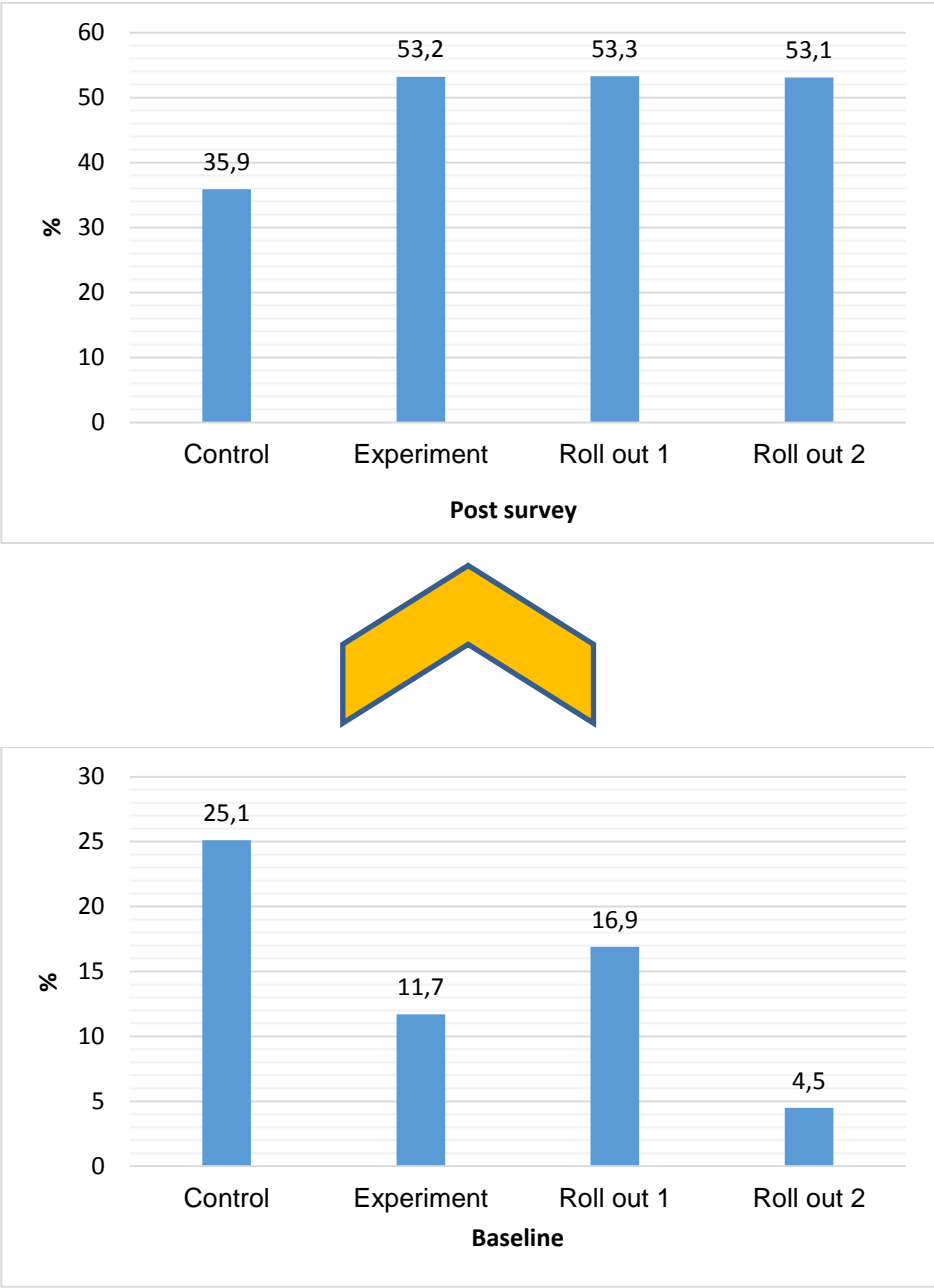


Figure 5. Change in making large household purchase decisions

Box 4. Impact of VSL model on member about enhancing Intra-family relationship and women's social and economic status

“Due to Van Kieu ethnic’s culture, women used to go to work in the fields and their husbands would go to markets to sell the products and kept all the money. But since the women joined VSL groups, they have known how to manage the household’s finance, they have had savings and their husbands have seen the benefits of the groups as well as their wives’ roles, they have changed their awareness and behaviors. Some men now go to work in the fields with their wives, let their wives keep money and even men take care of the children and housework for wives to attend the VSL group meetings”.

Box 5. Impact of VSL model on WU staff and members about Management and mobilization skills

“I am happy to join the VSL group as I have more time to rest and if I attend VSL meetings I do not have to do house work at that time. At the VSL meetings, we were chatting with each other and learning about the family circumstances of each other.” Ho Thi Choan, Hương Loc commune, Hương Hoa district, Quang Tri province

“Before joining this group, my household barely had any saving as we always spent all our earning, but now, my husband and I have a saving amount of 500,000 VND to 600,000 VND every month. Since joining the group, we have bought more goods for our house such as electric rice cooker, television, and clothes for our children at the end of the year”.

Table 3. Change in percentage of respondent’s perception about gender equity: Women should be able to move freely outside of the house without requiring a male companion (Unit: %)

	Experiment	Control	Difference
Post survey	86.40	73.9	12.50
Baseline	77.50	71.0	6.5
Change	8.90	2.90	6.00

Source: Synthesis from surveys, 2016

The impacts on women and their families have affected the girls. In this part, we would like to make it clearer about the impacts on girls in terms of awareness changes, living standards and experiment from family and community.

According to Plan International’s record, the number of girls under 16 years old reached by the model was 6,493 people. These girls now had better living standards as evidenced by the decreased number of people with food insecurity. As their parents now have savings, which they had never had before joining the VSL groups, they have access to better living conditions.

Moreover, the children had more chances to go to schools and had better access to healthcare services, as their mothers could borrow money from the VSL groups to pay for their tuition fee and health examination fee. For example, before joining the VSL groups, some women kept their children at home and never took them to the hospitals even when their children got sick as they did not have money for emergency but now they could ask for loans in

short time from the VSL group with simple procedure and their children could visit doctor. Furthermore, as the mothers were provided training on children healthcare and reproductive healthcare in VSL group meetings as WU’s integrated programs, the children could receive better care from their mothers. Remarkably, adolescent girls said their families are happier now as they have savings and their mothers could buy more goods for them as well as for the households.

On the other hand, not only women but also the adolescent girls showed that they basically knew about finance, loans and savings. When asked about these concepts, most of them could give interviewers basic answers such as savings means not spending money on unnecessary things, saving money in saving pigs, borrowed money means interest-free whilst loan requires payment with interest. They were taught by both parents and social communication.

In terms of experiment between boys and girls, according to both women and girls’

responses, boys and girls in the households are treated similarly in terms of attending schools. Both boys and girls have opportunities to go to school and they are treated equally at school. However, in Vietnam's culture, the girls normally do more houseworks than boys and this applies also for men and women. The responses for questions related to houseworks are slightly different between Kinh and Van Kieu people. As most of Van Kieu adolescent girls had dropped their schools, they had to work more than Kinh girls and they had to do both unpaid (houseworks) and paid works compared to boys who only do farming.

The response from adolescent girls also showed that there were changes in making decision right in their households. Most of the girls said that their parents made decision jointly in both economic and social decisions. But if they need money, the one they ask for will be their mother in most cases.

However, as most of the interviewed girls were quite young and did not keep money in their house, they do normally not discuss financial issues with their parents. They will ask their parents for money when they need to buy new personal belongings, to pay school fee and buy schooling tools such as books, pens, etc."

3.7. Scaling-up and recommendation

As described earlier, Plan International had piloted VSL model in Dakrong district, Quang Tri provinces where Plan International has Pus. Now the VSL model has expanded into 5 districts in Quang Tri and Quang Binh provinces (and projected to expand the number of communes in provinces where it is currently working). In addition, VSL model continues to be established in the North of Viet Nam such as Ha Giang province and Kon Tum province. The VSL model with simple characteristics, proves to be suitable with not only the ethnic minorities in Huong Hoa district, Quang Tri province and Minh Hoa district, Quang Binh province but also with the Kinh in Quang Ninh district, Quang Binh province. The VSL model is also appropriate with social economic

conditions in mountainous area (Huong Hoa district) and delta area (Quang Ninh district). Both poor people and non-poor people are happy joining VSL groups. The simplicity of operational mechanism, the voluntary participation and flexible shared contribution by members can be identified as main reasons why the VSL model can be easily applied in different areas in Vietnam. According to Mrs. Thuy, Vice president of Quang Binh women union, "*A simplified model of VSL is suitable to many places, from urban to rural areas, and from Kinh people to ethnic minorities*".

Based on the positive impact of VSL model, in the next period the Women Union and Plan International should maintain and repeat training courses on group management skills for VSL group leaders and secretary. Although the paperwork is simple, with low education level and language barriers, the group leaders and secretaries still encounter difficulties in remembering all the financial management techniques. Moreover, they have limited capacity to train other people on these skills when they have a switch in the leadership and secretary positions.

Recommendation is also made for promoting the benefits of the VSL model in order to replicate to other locations. WU should organize more study tours for members to visit successful VSL models supported by the WU in targeted model areas.

4. CONCLUSION

The VSL model has brought positive impacts on VSL groups' individual members as well as on their households, community and the WUs generally. The benefits and impacts of the model include the followings: improving beneficiaries' ways of spending and saving money, increasing their access to savings and loan and their households' economic status, and improving people's awareness on gender equality, intra-family relationship and the women's social status. Other impacts which were raised during the survey were the

improvement in management skills and the ability to engage others in development activities of WU staff and members and the improvement in community relations. The model used participatory approach, which enabled women to raise their voice in their groups, community and households.

The overall target for the model is "to improve the economic security 11,000 poor and vulnerable people in Quang Binh and Quang Tri provinces". According to Plan's report, at the end of the model, the total number of beneficiaries including direct beneficiaries (VSL members) and indirect ones (VSL members' family members) attains 35,233 people, of whom the number of VSL members is 9,865 and the number of children (both boys and girls under 16 years old) reached by the model is 12,580.

Both quantitative and qualitative data indicated that the improvement in women's financial literacy in terms of changing manners in spending and saving money. There is a significant change in respondents' opinion about sources of loans. At the beginning of the model, only 30.5% of respondents in roll-out 1 and 18.6 of that in roll-out 2 said that they had source(s) of loans but in the post survey, more than 94% of respondents in both roll-outs said they can have access to source(s) of loans. This number in control group also increased after years but

the change was smaller, only from 15.2% to 54.2%. Noticeably, a majority of respondent in both roll-out 1 and roll-out 2 considered VSL/VSALs a source of loans in urgent situation (96.45% and 91.13% respectively). Moreover, not only women but also the adolescent girls revealed that they have basic knowledge about finance, loan and savings.

If the baseline survey showed that only women had good awareness of gender equality, the data from the end-line survey shows that both women and men have increased their awareness of gender equality. As the gender awareness of men has increased, women could raise their voice in the households as well as in the community and their social and economic status has both improved.

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